

FEB 1952 51-444

## CENTRAL INTELLIGENCE AGENCY

CLASSIFICATION SECRET/CONTROL-U.S. OFFICIALS ONLY  
SECURITY INFORMATION

50X1-HUM

**INFORMATION REPORT**REPORT 

CD NO.

COUNTRY Czechoslovakia

DATE DISTR. 29 December 1952

SUBJECT Foreign Trade with the West and  
with Satellite Countries

NO. OF PAGES 2

DATE OF  
INFO. NO. OF ENCLS.  
(LISTED BELOW)

50X1-HUM

PLACE  
ACQUIRED SUPPLEMENT TO  
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES, WITHIN THE MEANING OF TITLE 18, SECTIONS 793 AND 794, OF THE U.S. CODE, AS AMENDED. ITS TRANSMISSION OR REVELATION OF ITS CONTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. THE REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

50X1-HUM

1. In February and March 1952 the teachers in the State School of Languages were given instruction in the terminology of foreign trade and sea transport. The lectures were given by a communist member of the Ministry of Foreign Trade, Eng. Nigrzyn.
2. On the subject of media of payment and currencies Nigrzyn gave the following opinions. It was clear that there would be a reform of currency in Czechoslovakia. He gave as the reason that technically Czechoslovakia belonged indirectly to the dollar area and must manage its payments in accordance with the dollar rate of exchange. However, he said, the intensity of trade with the West was decreasing. Already, only 44% of Czechoslovak trade was with the West and 56% with the East, especially the USSR. The Czechs did not need to export to the West, but needed the West's raw materials. In the First Republic export was a necessary evil, while today import from the West was the necessary evil. The crown must follow the dollar rate of exchange, but in the near future Czechoslovakia would drop out of the western sphere of influence and would transfer its foreign trade wholly to the East, towards the USSR and the popular democracies, and soon to China, where it would find immense markets. The crown would then adapt itself to the ruble, the firmest currency in the world.
3. In his lecture Nigrzyn said quite openly that Czechoslovak foreign trade had another function, namely, to act as the sole satellite state still enjoying the West's confidence in the quality of goods supplied, and to serve as the only means of obtaining, through the mechanism of compensation, raw materials and goods needed by the USSR and the satellite states. Nigrzyn further indicated that as long as Czechoslovakia could continue to procure these raw materials and goods for the USSR, she would belong to the dollar area. As soon as foreign trade with the West falls to a minimum and there is nothing more to gain, then the crown will come into the sphere of the ruble, and all Czechoslovak export and import will be carried on with the USSR and the East. As the

CLASSIFICATION SECRET/CONTROL-U.S. OFFICIALS ONLY

STATE	<input checked="" type="checkbox"/>	NAVY	<input checked="" type="checkbox"/>	NSRB		DISTRIBUTION								
ARMY	<input checked="" type="checkbox"/>	AIR	<input checked="" type="checkbox"/>	FBI		OIT	<input checked="" type="checkbox"/>	Treas	<input checked="" type="checkbox"/>					

SECRET/CONTROL-U.S. OFFICIALS ONLY

50X1-HUM

-2-

lecturer understood it, the time for financial reform will then have arrived.

4. Nigryn dealt with the duties of representatives of the various export monopolies and particularly with their function abroad. In his own words he stated:  
".....each such representative must know about research in the foreign market and must master all details both of selling and buying of the separate articles, of the means for their payment in dollars or by compensation deals, of offers and possibilities of competition, and in general be able to submit full regular reports to the Ministry of Foreign Affairs and in duplicate to the Ministry of Foreign Trade. He need not get hold of these details himself, but must hire some capable representative or agent in a position to follow all such matters for him. Otherwise he must take advantage of all his personal connections to win this valuable information. He must act in close collaboration with the legation itself and with the commercial attache. He should submit the reports in duplicate for both Ministries, through the diplomatic pouch."

SECRET/CONTROL-U.S. OFFICIALS ONLY